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ABSTRACT

A study of participation in training had as subjects black and white employees who were 17-24 years of age, not enrolled in school from 1966 to 1969, and who received company-sponsored training. Most of the employees were in lower socio-economic status jobs. Some 19% of the black youths received some pretraining, while approximately 10% of the white youths were pretrained. The sample consisted of 905 white youths and 342 black youths drawn from the National Longitudinal Survey of the labor force, a project sponsored by the U.S. Department of Labor. Comparisons were made between those who did not receive training during that interval. The study concluded that: (1) employers play an important part in helping with upward mobility of the labor force; (2) the type of training received relates to the occupational opportunities of the youths; and (3) broader opportunities for training for black and white youths will help reduce the economic differentials. (Author/WCM)

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WHO GETS TRAINED: A LOOK AT PARTICIPATION
IN COMPANY TRAINING PROGRAMS

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ABSTRACT

Individual success in the labor market is a mixture of personal and job behaviors. The individual interacts with his employer, the changing environment, and the economy in general. This study of participation in training covers black and white employees who were 17-24 years of age, not enrolled in school from 1966 to 1969, and who received company-sponsored training. Most of the employees were in the lower socio-economic status jobs.

Nineteen percent of the black youths received some pretraining, while approximately ten percent of the white youths were pretrained. It should be noted that some of the employees were just entering the labor market, and it may not be surprising that they did not receive much pretraining. The sample consisted of 905 white youths and 342 black youths. The population was from the National Longitudinal Survey of the Labor Force, a project sponsored by the U.S. Department of Labor. Comparisons were made between those who received training during the period 1966-1969 and those who did not receive training during that interval.

Employers play an important part in helping with upward mobility of the labor force. The type of training received relates to the occupational opportunities of the youths. Broader opportunities for training for black and white youths will help reduce the economic differentials.

INTRODUCTION

Studies of youth in the labor force are important because of the need to replenish and strengthen manpower resources. Such studies are important in that they shed some light on the prevailing practices of private companies in their use of training and other variables to affect the economic status of the employees. For the individual, the question is job performance and advancement. For society, the question is whether to accept the present system or make conscious efforts to change it through economic or political action.

The findings in this study show that a differential does exist between black and white youths based on the type of pretraining they receive from companies, their occupancy of high versus low level jobs, and the wages they receive. Training and ability affect economic success; thus, changes in the amount of training given individuals can have a lasting effect on their success in the marketplace.

This paper is part of a larger study dealing with company training. The issues of the total study include such questions as:

1. What does a company derive from the training dollars spent?
2. What attitudinal changes are the result of the training?

Training does have an impact on the individual's life, his occupational progression, wage progression, job security, and personal feelings of satisfaction and fulfillment. This portion of the study does not deal with the

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effects of the training. However, the value of this study is that antecedents of training success are measured, and some differences in treatment of black and white youths are noted. Additional longitudinal data will serve to identify the subsequent impact of training.

RESEARCH DESIGN

The universe under consideration here consists of young men who, at the time they were first interviewed in 1966, were 17 to 24 years of age, out of school, and employed as wage and salary workers. A further restriction is that they must have remained out of school and employed for the period 1966-1969. In all, there are 1247 respondents included, 905 of whom are white and 342 are black.

This group is a subset of a larger national sample of men who were 14-24 years of age as of October, 1966. The sample, designed to overrepresent blacks by a ratio of about 3:1 in order to allow statistically meaningful analyses of intercolor differences, is a multistage probability sample of the civilian noninstitutionalized population of men within the prescribed age limits and is a part of the National Longitudinal Surveys of labor market and educational experiences. These surveys are being conducted by Ohio State University in collaboration with the U.S. Bureau of the Census under a contract with the U.S. Department of Labor.

Below are presented cross-sectional data pertaining to the antecedents of participation in company training programs. The variables utilized are the presence of company training in the period 1966-1969, the receipt of company training prior to 1966, a measure of the respondent's socio-economic background level, the respondent's education, the respondent's marital status, occupation held by the respondent in 1966, industry in which the respondent was employed in 1966, and the hourly rate of pay received by the

respondent in 1966. Findings are presented for blacks and whites separately, reflecting our belief that there are structural differences, by race, in the relationship under investigation.

Graphic Representations

Figure 1, The Research Design, illustrates the flow of events described in the written narrative. The emphasis is on the longitudinal nature of the research.

Figure 2, The Longitudinal Variables, shows the total study design, of which this paper is one part. The sequence of events reflects the researchers' analysis of the labor force data. Not all the causal links can be established, especially when so many other variables affect the lives of these youths and every other employee.

Definition of the Variables

1. "Pre-training." This includes any company-sponsored instruction in a formal or informal manner. The response was tabulated from the interview questionnaire data.

2. "Occupational Groups." The categories of occupations follow the U.S. Department of Labor's outlines. They include:

- a. professional, technical, and managerial
- b. clerical-sales
- c. craftsmen
- d. operatives-laborers
- e. other.

Farm employees were excluded from the study.

3. "Wages." This was the hourly wage reported by the individual in the interview questionnaire.

4. "Duncan Index of Occupations." This is a composite socio-economic index to measure relative standing among occupational groups.¹

5. "Race."

6. "Personal Characteristics of the Respondents." Defined to include (a) social economic level, (b) education, and (c) marital status, 1966.

7. "Labor Market Experience of the Respondents." Defined to include (a) occupation in 1966, (b) industry of occupation, 1966, (c) length of service on job, 1966, and (d) hourly rate of pay, 1966.

DATA PRESENTATIONS

Distribution of Training by Race

The percentage of white youths receiving training was twice as great as that for the black youths. This was 18% versus 9% in the sample of 905 white and 342 black youths. While the percentage difference appears large, there was less difference than anticipated. The distribution of pretraining by occupational groups showed more race differences. The bar graph data refers to the 1966 distribution of occupations. In Bar Graph 1, the white youths received more training in the professional, technical, and managerial categories, while the black youths received none. The black youths received mostly operative training.

Cause and effect relationships are hard to document. It would seem that the presence of such pretraining differences would be to maintain the occupational differences between the black and white youths. Bar Graph 2, "Black-White Distribution by Occupational Groups," shows that the black youths are centered in the operative category (61%). This operative

¹ For further explanation, see Otis Dudley Duncan, David L. Featherman, and Beverly Duncan, Socioeconomic Background and Occupational Achievement: Extensions of a Basic Model (Washington, D.C.: U.S. Department of Health, Education, and Welfare, Office of Education, 1968).

category is the largest one for the black youths. In all other categories, the white youths showed a broader distribution of occupational opportunities.

Personal Characteristics of the Respondents

1. Socio-economic level. For both groups, the trainees overwhelmingly were selected from the higher socio-economic levels. In Table 3, note that both the black and white youths were in categories #7-#13. This was 93% for the black youths and 95% for the whites. The absence of respondents in the upper ranges of the socio-economic index is due to the fact (a) the universe was restricted to 17-24 year-olds who had been out of school during each of the four years in question, and (b) that the black youths are generally not found in the upper socio-economic ranges.

2. Education. The trainees were more concentrated at the upper educational levels than those who did not receive training in the 1966-1969 period. Twenty-five percent of the white trainees had more than 12 years of education as compared with only 13% of the white non-trainees (see Table 3). The figures for the black youths were 10% and 4%, respectively. In both the black and white groups, most of the training was concentrated on those having exactly 12 years of education. The effect of a lack of education showed up in both groups. In Table 3, a white youth with less than 12 years of education showed a 40% non-training rate. Black youths with less than 12 years of education showed a 66% likelihood of no training.

3. Marital status. Marital status showed no relationship to the incidence of training for white youths. For black youths, trainees were half again as likely as were non-trainees to have been married. Table 3 shows these figures as 52% versus 35%.

Labor Market Experience

1. Occupation. There seemed to be very little effect of occupation on the two groups. In Table 4, the occupational groupings are shown side by side. Respondents in the "craftsmen/foremen" category were more heavily represented among trainees than among non-trainees. The proportions for the craftsmen/foremen category were 30% trained and not trained for the white youths, and 20% and 13% for the black youths. "Operative-laborers" show up more frequently in non-trainee than in the trainee groups for both blacks and whites. The only other significant difference by occupation is that blacks in the "other" category (the residual category) are a larger fraction of the non-trained group than the trained group.

2. Industry. Manufacturing had a larger percentage of trainees than non-trainees. Construction showed a larger percentage of non-trainees than trainees, for both groups. For the "financial, insurance, and real estate service" category, the black youths showed 12% trained and only 1% not trained. In "transportation, communications, and public utilities," black youths showed zero pretraining. This was also zero in "personal services" for the black youths. (See Table 4.)

3. Hourly rate of pay. Those receiving training were more likely to come from the "high-pay" categories and less likely to come from the low-pay categories than those not receiving training (see Table 4). Note that the training versus no-training difference is greatest at the \$2.00-\$2.99 category for both black and white youths. The spread is wider for the black youths, however, with 32% showing training and 19% showing no training. The occupational distribution in Bar Graph 3, "Black-White Distribution," shows a trend toward lower-paying categories. The pretraining helped move the black youth up in average earnings as seen in Bar Graph 4, "Black-White

Distribution with Training." The lower end of the distribution is reduced and more black youths appear in the \$3.00-\$3.99 hourly pay range.

SUMMARY AND CONCLUSIONS

The overall impression was that the few black or white youths were trained. This was 18% for the whites and 9% for the blacks. This black-white difference was substantial and did continue in many areas. Training is one variable in the total economic and social pattern to help explain personal changes.

Because of a variety of social and economic conditions, the black youths are concentrated in the lower educational and occupational levels. This may appear to the reader to be more extreme than detailed data might show. The categories used in this paper are very aggregate, due to the small number in the sample.

Those in manpower and training leadership positions will be aware of the effect of early access to improved skills and the snowballing which a good start can provide a new employee. There is some "creaming" of the better youths in the labor force. This creaming makes the present training operations look more successful, but one side effect is that it leaves many youths at the bottom of the occupational ladder. This problem becomes worse when promotions are being made. Once a person is far behind, he may never have the same opportunity. In some black-white studies, there is an element of the "disadvantaged" youth in the background. While the blacks may be relatively more disadvantaged vis a vis whites even in this study, it should be remembered that the black and white youths were employed in each year of the 1966-1969 period. The result seems to be a widening of the skill gap between the skilled and the unskilled. The effect is cumulative and those who miss early training may be restricted from consideration

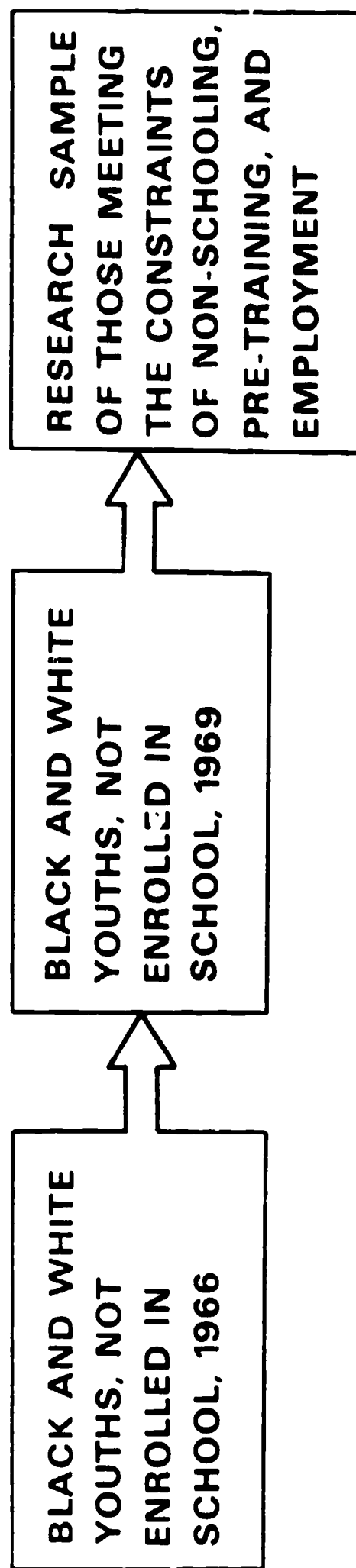
for future upgrading.

Education and socio-economic conditions did seem to make a difference in who received training and who did not. The researchers were interested in the finding that IQ scores and job tenure did not seem to be related to the decision of who gets trained or who doesn't. Marital status does seem to make some difference for the black youths, and this may relate to their perceived employment "stability."

Implications

The implications apply to public and private administrators as well as to manpower planners. For the training director, there appear to be opportunities to help in the upgrading of individuals. "Getting a good start" is more than a cliché. Manpower administrators may focus their attention more on establishing those first and second steps in the occupational ladder as a way of expanding the horizons of all young employees.

FIGURE 1
RESEARCH DESIGN



Analysis:

- 1. Absolute differences**
- 2. Cross-sectional analysis of differences**

FIGURE 2
LONGITUDINAL VARIABLES

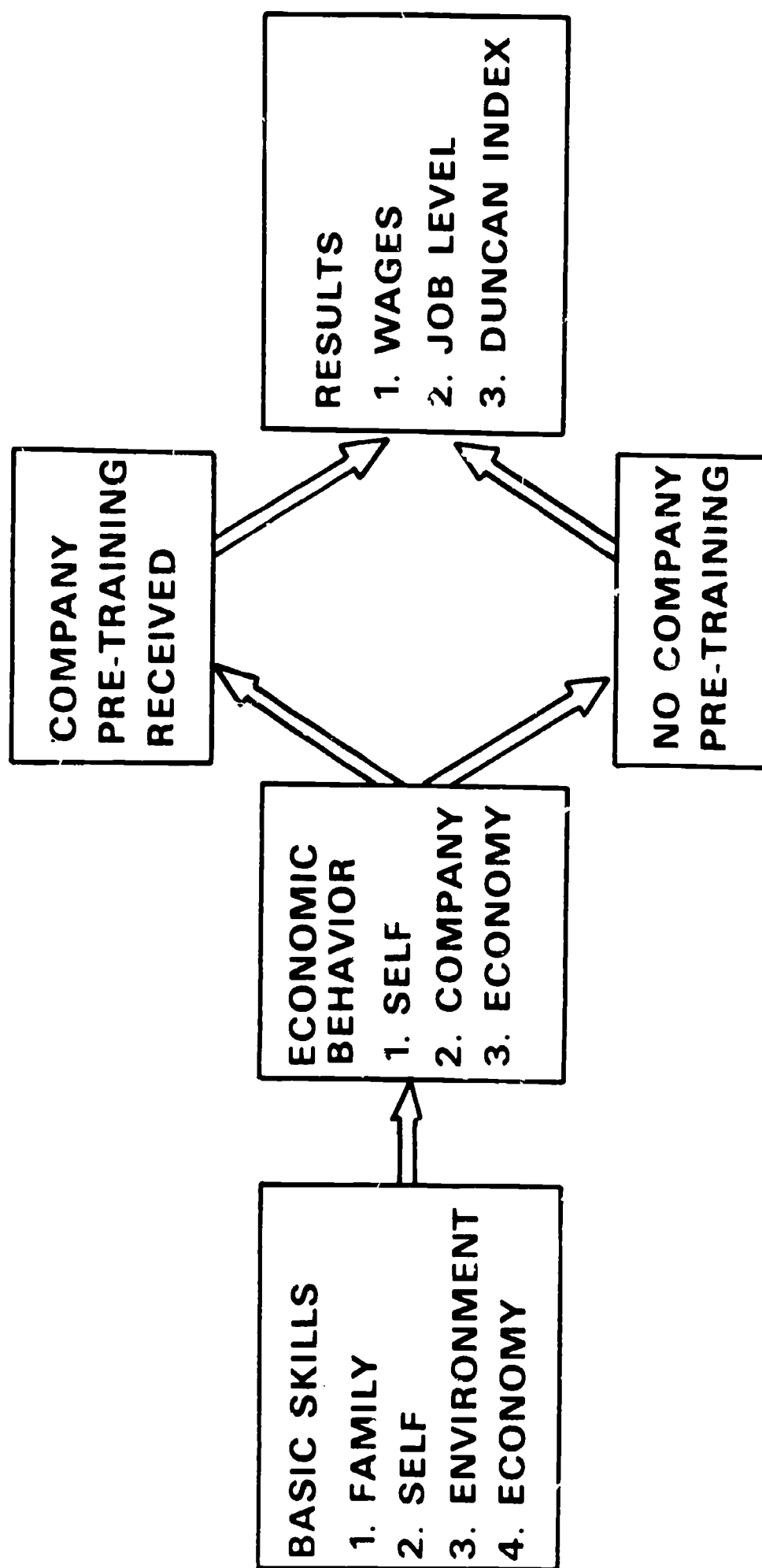


TABLE 1

<u>Training Experience</u>	<u>Whites</u>	<u>Blacks</u>
Received Training	18%	9%
Received No Training	82%	91%
Total Percent	100	100
Total Number	905	342

TABLE 2

<u>Prior Training</u>	<u>Whites</u>		<u>Blacks</u>	
	<u>Received Training</u>	<u>Received No Training</u>	<u>Received Training</u>	<u>Received No Training</u>
Some Prior Training	14%	4%	6%	2%
No Prior Training	86%	96%	94%	98%
Total Percent	100	100	100	100
Total Number	158	747	31	311

TABLE 3

Selected Personal Characteristics	Whites		Blacks	
	Received Training	Received No Training	Received Training	Received No Training
SEL				
0 - 3	0	1	0	4
4 - 6	3	10	7	34
7 - 13	95	88	93	62
14 - 16	1	1	0	0
17+	0	0	0	0
Total Percent*	100	100	100	100
Total Number	158	747	31	311
Education				
Less than 12 years	21	40	29	66
12 years	54	47	61	29
More than 12 years	25	13	10	4
Total Percent	100	100	100	100
Total Number	158	747	31	311
Marital Status				
Married**	58	55	52	35
Never married	38	43	45	60
Other***	4	2	3	4
Total Percent	100	100	100	100
Total Number	158	747	158	747

*Totals may not add to 100 in this and subsequent tables due to rounding.

**"Married" refers to married, spouse present.

***"Other" includes widowed, separated, and married, spouse absent.

TABLE 4

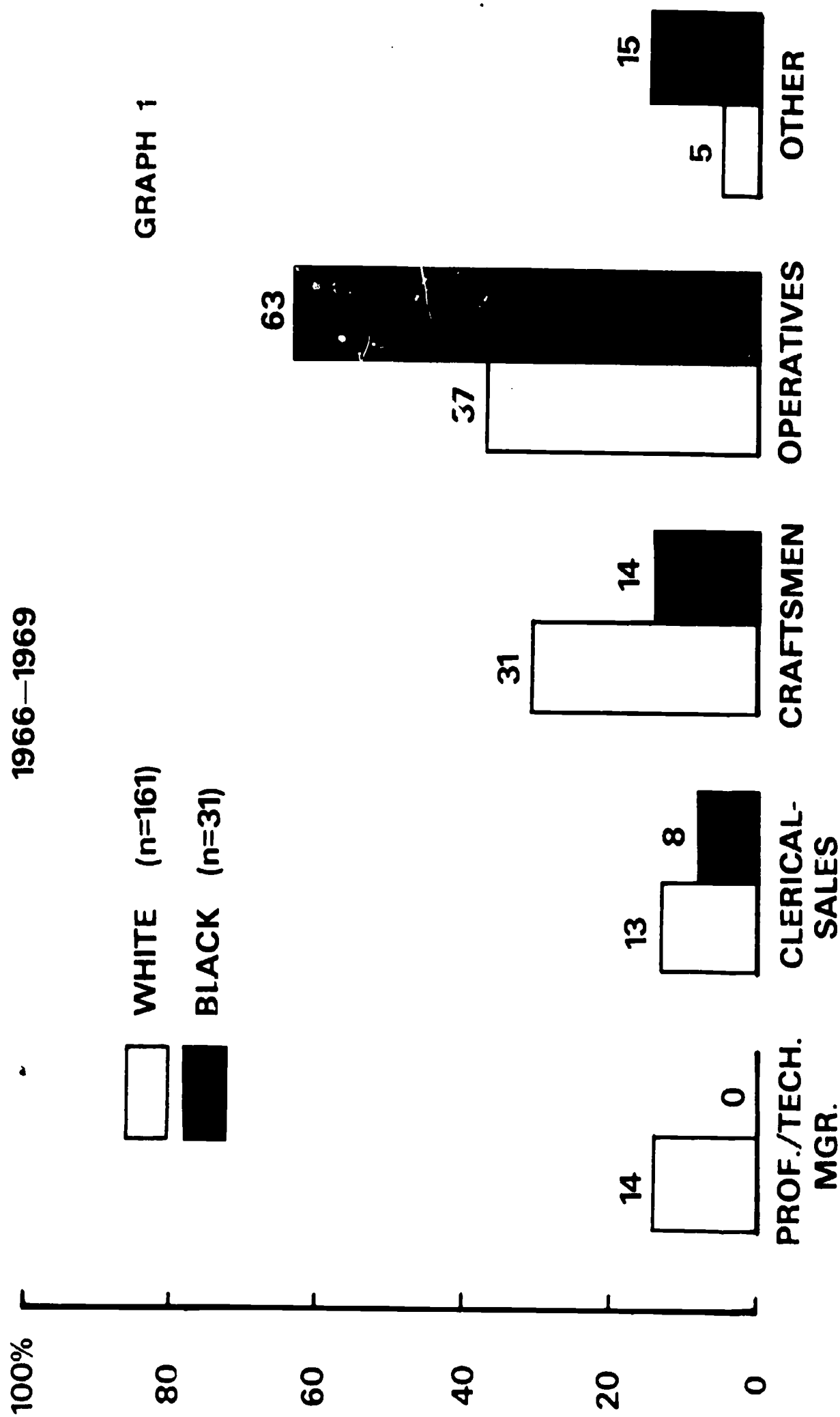
Selected Labor Force Experiences	Whites		Blacks	
	Received Training	Received No Training	Received Training	Received No Training
1966 Occupation				
Professional, technical	11	8	0	2
Managerial	4	5	0	1
Clerical, sales	12	12	7	8
Craftsmen, foremen	30	23	20	13
Operatives, laborers	38	48	47	63
Other*	5	4	27	14
Total Percent	100	100	100	100
Total Number	158	747	31	311
Industry of Occupation				
Construction	5	15	8	15
Manufacturing	61	46	58	45
Transp., Comm., Pub. Util.	7	8	0	8
Wholesale/Retail	21	21	15	26
Financial, Insurance, Real Estate	3	2	12	1
Repair Services	2	7	4	1
Personal Services	1	2	0	4
Total Percent	100	100	100	100
Total Number	158	747	31	311
1966 Hourly Rate of Pay				
Less than \$1.50	9	15	29	48
\$1.50 - \$1.99	16	20	25	27
\$2.00 - \$2.99	47	40	32	19
\$3.00 - \$3.99	22	19	14	5
\$4.00 - \$4.99	5	3	0	1
\$5.00 or more	1	2	0	0
Total Percent	100	100	100	100
Total Number	158	747	31	311

*"Other" includes respondents in service occupations, and a small number of respondents in farm occupations.

DISTRIBUTION OF PRE-TRAINING BY OCCUPATIONAL GROUPS FOR BLACK AND WHITE YOUTHS

1966—1969

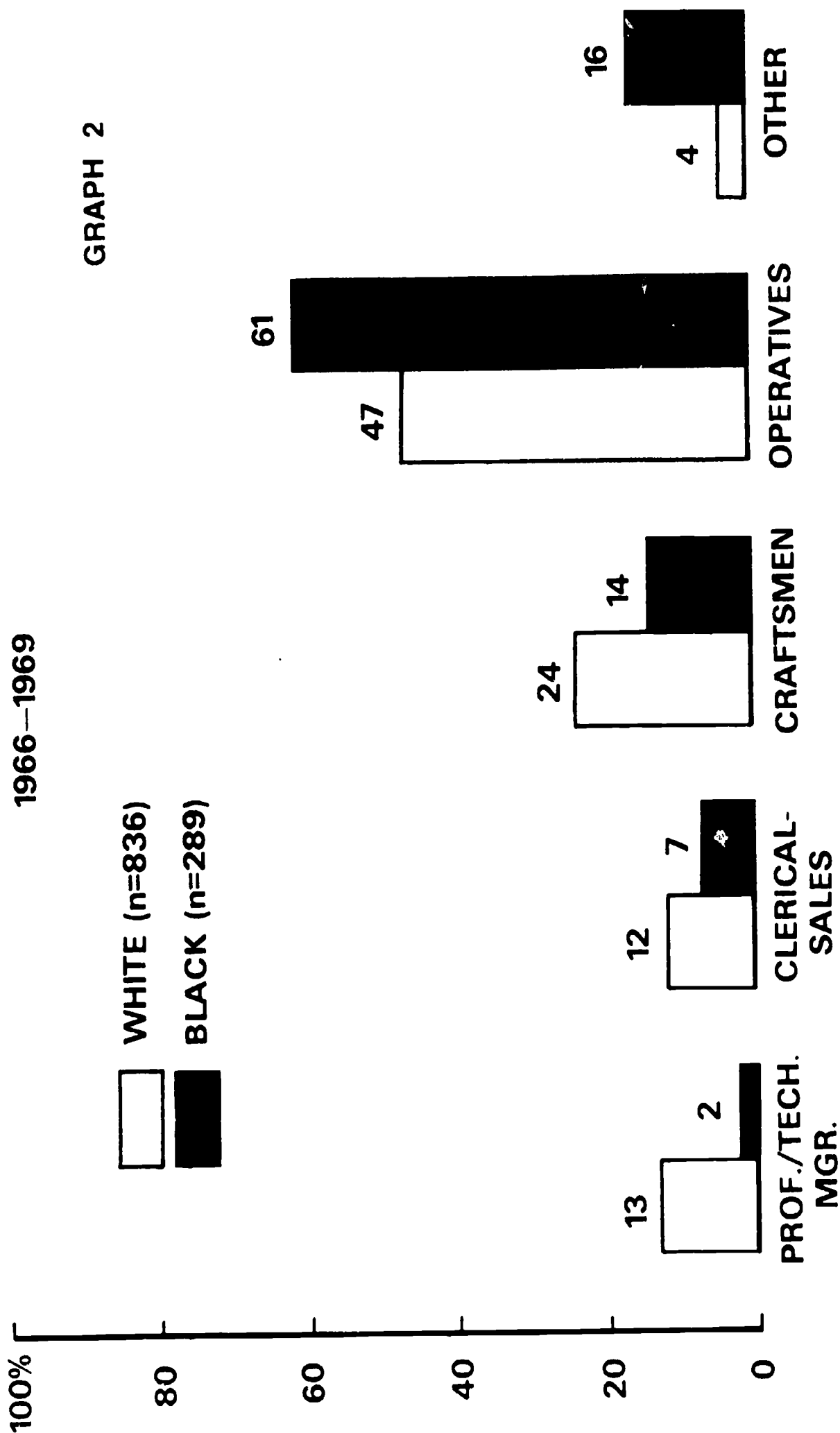
GRAPH 1



BLACK - WHITE DISTRIBUTION BY OCCUPATIONAL GROUP

SAMPLE POPULATION
1966-1969

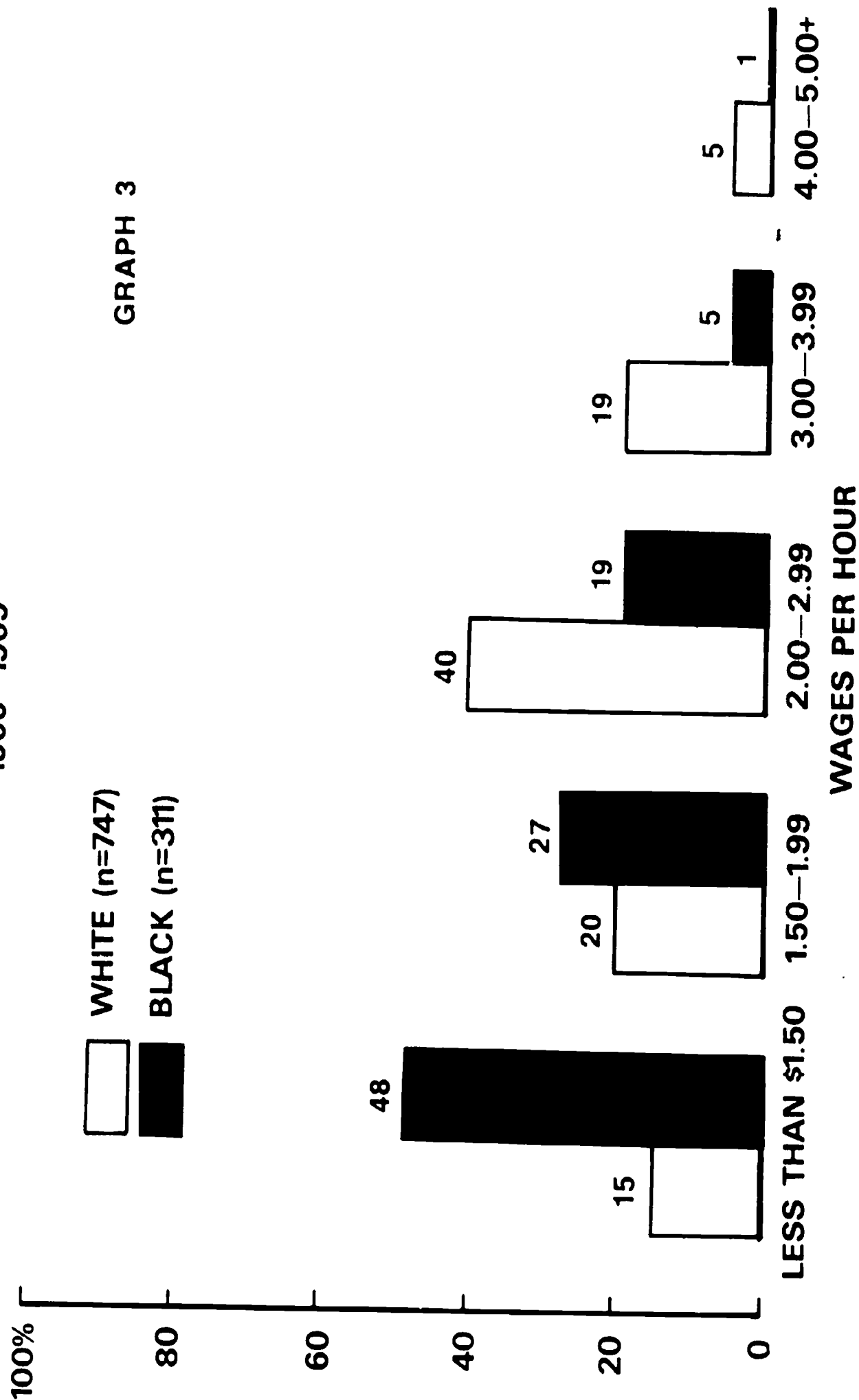
GRAPH 2



BLACK - WHITE DISTRIBUTION OF WAGES OF YOUTHS WITH NO TRAINING

1966-1969

GRAPH 3



BLACK - WHITE DISTRIBUTION OF YOUTHS WITH PRE-TRAINING, BY AVERAGE HOURLY WAGE RATE

SAMPLE POPULATION
1966—1969

GRAPH 4

